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ABSTRACT

This competency-based preservice home economics teacher education module on marketing practices in relation to low income clientele is the third in a set of three modules on management in economically depressed areas (EDAs). (This set is part of a larger set of sixty-seven modules on the Management Approach to Teaching Consumer and Homemaking Education [MATCHE]--see CE 019 901-967.) Following the module objective and overview, three units of instruction are presented: (1) psychology of marketing and advertising in EDAs (with lessons on deceptive sales practices), (2) psychology of in-house sales (with lessons on door-to-door, phone, and mail-order sales), and (3) consumer-clerk relations. Each unit generally includes the following elements: objective, overview, and progress test. Lessons contain suggested activities and resources. A module pre/posttest (with answer key) concludes the document. (Workshop proceedings relating to the development of these modules are available in the ERIC system as CE 019 896-899; also available is a module on utilizing FHA-HERO as an instructional strategy to expand and strengthen the home economics instructional programs [CE 019 900].) (CT)

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ED166540

ECONOMICALLY DEPRESSED AREAS STRAND:

MANAGEMENT

MODULE III-F-3 MARKETING PRACTICES IN RELATION TO LOW INCOME CLIENTELE

1978

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Sacramento

CE 019 967

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION

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MATCHE

Management Approach to Teaching Consumer and Homemaking Education

MATCHE is an individualized, competency-based preservice curriculum designed for home economics education students at the preprofessional, upper division level. MATCHE is a comprehensive curriculum based on selected objectives which give emphases in three areas: 1) consumer approach to homemaking education, 2) teaching home economics in economically depressed areas, and 3) establishing occupational programs related to home economics. The material for each subject matter area of home economics has been organized into these three strands, and includes an FHA-HERO emphasis. These subject matter areas are home economics education core, housing, foods and nutrition, textiles and clothing, human development, and management.

The MATCHE modules were written by subject matter specialists from various colleges and universities offering home economics and therefore each is unique in the approach used for the development of the objectives. The modules allow for differences in level of achievement, rate of learning, and learning goals. They may be used independently, combined into a sequential series, or as a random set of conceptual units. Any instructor using the material can easily adapt the material to a specific group of students, the locale, method of instruction, and available facilities. Learning may be facilitated by offering one module in conjunction with others.

As MATCHE is continuously up-dated by those using the curriculum, some concepts and objectives may be added and others deleted. The purpose is to continually strengthen the program for pre and inservice home economics teachers.

Guidelines for Use and Continuous Development of MATCHE are on file with Home Economics units in each of the fifty state departments of education plus all of the Home Economics Departments in California institutions offering home economics education. This booklet and proceedings from the four MATCHE workshops give background information concerning the purpose and development of the MATCHE project.

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The project was developed under a contract with the Bureau of Homemaking Education, California State Department of Education under the provisions of PL 90-576 and PL 94-482. However, the opinions expressed herein do not necessarily reflect the position or policy of the Bureau of Homemaking Education or the U. S. Office of Education, and no official endorsement should be inferred.

MATCHE PROJECT

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MARKETING PRACTICES IN RELATION TO LOW-INCOME CLIENTELE

Module Objective

Based upon personal investigation conducted to determine various marketing practices designed to capture the consumer dollar of low-income residents in economically depressed areas, the MATCHE student will be able to design and develop an instructional program to assist EDA consumers to be more effective and less vulnerable to unethical or illegal pressures, techniques, or practices.

Module Overview

For many resons, persons living in EDAs often find themselves extremely vulnerable to unfair, unethical, and illegal marketing practices. Door-to-door solicitors, telephone solicitations, mail-order sales, contests, and "free" give-aways make up a large part of the low-income consuming world. Often, credit is necessary and is a means of survival. Thus it is common to find dependencies forming between the low-income consumer and merchants or lenders who are willing to extend credit at interest rates which are often much higher than interest rates charged on comparable loans in middle- or upper-income areas. Services may also be made attractively available to the EDA resident at considerable cost. Some such services may include check cashing, grocery delivery, purchasing of money orders, and many other such conveniences.

Among the many factors which contribute to the success of these costly marketing practices in the EDA is the lack of transportation which forces the EDA resident to shop in the area. As a result, he is at the mercy of merchants and salesmen in that area when meeting everyday needs for goods and services.

Besides physical isolation, the EDA resident may become emotionally or psychologically isolated from resources outside the immediate surroundings. The familiar neighborhood may be a more comfortable place in which to do business. The door-to-door salesman may represent a friendly visit. The telephone solicitor may be someone to talk to. The merchandise ordered through the mail is something to look forward to. And the contest, the contest gives hope. All of these things, at times, may be much more appealing to the EDA resident than the thought of venturing out into the unfamiliar, impersonal world of suburban shopping centers or downtown department stores where one may be subjected to the insensitivities of busy clerks and pushy crowds.

As a successful teacher of consumer and homemaking education in an EDA, you will need to become attuned to and sensitive to the many influences and pressures which affect the decision-making process in EDA families. You must be competent enough to point out fraudulent or unethical marketing practices when they become apparent and to assist pupils and their families in finding solutions to such situations when they are confronted with them. You must also realize that there may be times when the EDA student will be reluctant to implement a solution to a problem. Sensitivity to and understanding of such complex consumer decisions as they relate to the EDA family are the important outcomes of this module.

To assist you in gaining the experience and competence you need for adapting consumer and homemaking programs to address the marketing practices in low-income areas, this module has been divided into the following units:

Unit 1: Psychology of Marketing and Advertising in Economically Depressed Areas

Unit 2: Psychology of In-House Sales

Unit 3: Consumer-Clerk Relations

NOTICE: Because the important outcomes of this module are the development of attitudes and sensitivities relative to marketing practices in the EDA, all narrative summaries have been omitted. To have included such summaries would have served to draw conclusions which, it is hoped, the MATCHE student will be able to draw for him or herself as a result of the suggested activities.

UNIT 1

PSYCHOLOGY OF MARKETING AND ADVERTISING IN ECONOMICALLY DEPRESSED AREAS

Objective

The MATCHE student will be able to design and develop a program to assist an individual or family in an EDA in recognizing and resisting fraudulent or deceptive advertising techniques employed in that area, based on personal analysis, indentification, and investigation of such techniques in the particular area.

Overview

Advertising, promotion, and sales techniques have become extremely sophisticated. Psychological market research has, in many cases, taught the seller more about the personality and motivations of the consumer than the consumer knows about himself. Along with this sophistication, the incidence of unfair advertising techniques has flourished in spite of legislation and public indignation. While this problem is not unique to EDAs, there are several reasons why it is given special consideration in this unit.

Due to the very nature of their existence, the EDA families are likely to be easily captivated by catchy slogans or phrases such as, "no money down," "discount sale," "free refreshments," or "money saving offer." When money is extrenely scarce, one may be willing to try anything which promises to make that money last just a little longer. The tragedy, of course, in the EDA is that families can ill afford poor consumer decisions. The needless loss of one dollar of the EDA person's monthly income represents much more of a crisis for the EDA family than does the loss of an equal amount of money from the monthly income of the more affluent family.

This unit will give you the opportunity to assist EDA families in recognizing a true bargain and in recognizing and resisting unethical marketing practices which give false, misleading, or deceptive information to the low-income consumers, luring them into buying merchandise they do not need with money they do not have.

Lesson 1: Recognizing False, Misleading, and Deceptive Sales Practices

Suggested Activities

1. Tour several different types of stores in an EDA taking careful notes on the advertising you see. On the basis of your observations, prepare a demonstration which could be presented

to the area residents, pointing out at least five major ways in which area merchants appeal to them through advertising. Be prepared to discuss both the advantages and disadvantages of each type of advertising you have included in your demonstration.

2. Identify a specific EDA and describe what you feel are basic needs and characteristics of the "average" family in that area. At this point, assume you are a merchant anxious to get rich quick. Devise a sales campaign to sell some useless piece of merchandise to the area residents. Finally, interview residents of the EDA to determine whether or not any of the methods of sales promotion you devised are actually in effect of their neighborhood.

3. Interview EDA families to find out what marketing practices are prevalent in their area which they feel are particularly unfair. If such practices do exist, determine whether or not the EDA family has attempted to do anything about putting a stop to them. Try to determine what the attitudes of the families you interview are with respect to enforcement of consumer rights versus acceptance of "standard" practices.

4. Develop a series of posters which points out the standards of good advertising and methods of advertising and sales which are obvious gimmicks commonly used in EDA. Place your posters, with permission, in a church, settlement house, housing project office, health clinic, or any other place within the EDA where a large number of residents are likely to see them. Visit the area where the posters are being displayed on a day when there are many residents present. Strike up a conversation about the posters and be alert for important comments and criticisms.

5. Research and write a short essay on the effects of consumer research, consumer demand, and advertising on the needs, wants, and desires of low-income families.

6. If you notice a store in an EDA advertising a particularly unbelievable bargain, go into the store and approach the clerk as though you are extremely interested in the advertised bargain. Be alert for any explanations made by the clerk which may be contrary to the illusions created by the advertisement.

7. Spend an evening watching television commercials and taking notes on any commercials which you feel have special appeal for the low-income family. Explain why you feel these commercials would appeal to persons in EDA, and explain what impact you feel that mass media have on consumer decisions of EDA residents. You may want to follow up this activity with a survey of an EDA to find out whether residents are affected by mass media advertisements and to what extent.

Suggested Resources

Aaker, David, and George Day (eds.). Consumerism: Search for the Consumer Interest. Part 5: Discrimination Between Segments: The Case of the Chetto Consumer. New York: The Free Press, 1971.

Aaker, David, and George Day. Consumerism: Search for the Public Interest. New York: Free Press. Third Edition, 1978, Part C: Disadvantaged Consumer.

Andreasen, A. R. The Disadvantaged Consumer. New York: Free Press, 9175.

Jolly, Desmond. "Low Income Life Styles and the Consumption of Durable Goods: Implications for Consumer Education," Illinois Teacher of Home Economics. Vol. XXI. No. 5 (May/June) 1978.

Scheffman, Leon, and Leslie Kanuk. Consumer Behavior. Englewood Cliffs, New Jersey: Prentice-Hall, 1978, Chapters 7 and 10.

Sturdivant, Frederick. The Ghetto Marketplace. New York: The Free Press, 1969.

Troelstrup, Arch, and Carl Hall. The Consumer in American Society. New York: McGraw Hill, 1978, Chapter 1.

When you feel you have learned the information presented in this lesson, take the following Progress Check.

Lesson 1 Progress Check

1. List and explain two major reasons why EDA families may find it difficult to take advantage of legitimate sales when they are advertised.

   a.

   b.

2. What would you describe as the most fundamental need for the preparation of an effective sales or advertising campaign?

3. List four specific ways in which merchants could design and manage advertising which would have especially alluring effects on EDA consumers.

   a.

   b.

   c.

   d.

4. List five factors which might account for the fact that EDA residents often do not take action to stop unfair marketing practices in their areas.

   a.

   b.

   c.

   d.

   e.

Compare your answers with those on the next page.

Answer Key
Lesson 1 Progress Check

The answers below are suggested answers. For answers which differ them these, the instructor must judge their appropriateness.

1. The EDA family may find it impossible to get to the area in which a sale is being held due to lack of transportation.
   The EDA family may be unable to take advantage of a legitimate sale due to the fact that it has no excess money with which to buy anything other than immediate necessities.

2. The most fundamental need for the preparation of an effective sales or advertising campaign is knowledge and understanding of the consuming group at which the sales campaign is aimed.

3. If the merchants knew that a large number of their patrons received welfare and/or social security payments, they could time the advertisement so that it would be released at the time of month when checks are usually received by the EDA families.
   If a large number of the EDA residents spoke a language other than English, the merchant could see to it that advertisements were made available in that language as well.
   The merchant could entice the EDA resident to come in for something "free."
   The merchant could make it known that "easy credit terms" are available "regardless of income."

4. lack of knowledge of what their rights really are as consumers
   lack of group organization for collective bargaining among EDA residents
   a general feeling of powerlessness coupled with an attitude which reflects, "That's the way things are here"
   lack of energy to devote to a cause which may seem somewhat unrelated to the day-to-day challenges of life
   desire to remain friendly with neighborhood merchants due to the dependency on the goods and services which they provide regardless of unfair marketing practices about which the EDA resident may be informed

Lesson 2: Resisting and Reporting Deceptive Sales Practices

The activities in this lesson are designed to assist you in obtaining additional information to reinforce the significant concepts which you learned in Lesson 1. Together, the knowledge you gain from each of these lessons should prepare you sufficiently for the completion of the unit objective.

Suggested Activities

1. Contact the Better Business Bureau, Legal Aid Society, or a consumer protection agency that handles complaints or provides services in an EDA. Obtain information on the following:

   a. the number and nature of complaints received from low-income families each month
   b. the type of action which is taken by the agency
   c. the degree of satisfaction which the complaining consumer can expect to receive
   d. programs or steps they take to inform low-income consumers of what services they provide
   e. suggestions they have on information which you can provide to low-income families that will help them resist fraudulent or deceptive sales practices

2. Discuss with several EDA residents the subject of whether or not they feel they have ever been the victims of illegal or unethical marketing practices. If they do, find out what, if anything, they did about the problem and discuss with them their feelings about alternative actions they might have taken.

3. Design a simple, easily understandable form with which EDA residents could instantly lodge a consumer complaint by mail. Take this form to the agencies which would be in receipt of the consumer complaint and see what their reactions would be to the printing and distribution of your form. Be prepared to defend the usability of your form on the basis of the uniqueness of the design for appealing to EDA residents.

4. Interview managers of stores in the EDA to find out the following:

   a. Do they receive many complaints from their consumers?
   b. What is the nature of complaints they do receive?
   c. What efforts do they make to resolve consumer problems?

5. Prepare an outline of a program you can implement to assist an individual or family in an EDA to recognize and resist fraudulent or deceptive advertising techniques or marketing practices, based on the specific situations you have observed in the community. Submit your outline to your instructor.

After submitting and discussing your proposed program (Activity 5) and if no additional activities are prescribed by your instructor, you may take the unit Progress Test.

Suggested Resources

Aaker, David, and George Day (eds.). Consumerism: Search for the Consumer Interest. Parts II, III, and IV. New York: The Free Press, 1971.

Bernacchi, M. D. "The Expanding Jurisdiction of Deceptive, Misleading, and False Advertising by the FTC," Journal of Advertising. Vol. 6, No. 5, Summer, 1977, 29-33.

Gordon, Leland, and Stewart Lee. Economics for Consumers. New York: D. Van Nostrand Company, 1977 Part 5.

Griggs, Mildred. "Consumer Protection Agencies: Where to Get Help When You Need It," Illinois Teacher of Home Economics. Vol. XXI, No. 5 (May/June): 262-266.

Spellman, Nancy. Consumers: A Personal Planning Reader. New York: West Publishing Company, 1976, Chapter 9.

Troelstrup, Arch, and Carl Hall. The Consumer in American Society. New York: McGraw Hill, 1978, Chapters 15, 16.

There is no Progress Check for this lesson.

UNIT 1 PROGRESS TEST

Student_____

Marketing Practices in Relation to Low-Income Clientele

Instructor_____

Date_____

1. List three reasons why legal actions might not be taken against unethical marketing practices in EDA areas.

   a.

   b.

   c.

2. List four different agencies which might be available to assist EDA residents in obtaining redress for consumer complaints.

   a.

   b.

   c.

   d.

3. Besides public service agencies, what might be another avenue for the low-income consumer to resolve consumer complaints? What might be inherent difficulties in this approach to consumer redress?

4. Write your own defintion of "misleading advertising." Why might EDA residents be especially susceptible to this type of advertising?

ANSWER KEY
UNIT 1 PROGRESS TEST

Marketing Practices in Relation
to Low-Income Clientele

Instructor:	In booklets reproduced for students, you may wish to omit this page. The answers below are suggested answers. For answers which deviate from these, the instructor must judge their appropriateness.

1. Residents may not be familiar with their rights as consumers and may not know where or how to lodge consumer complaints.
   Residents may be reluctant to inform on a neighborhood merchant because they need the services he provides.
   EDA residents typically do not organize collectively to push for social reforms.

2. Better Business Bureau
   Legal Aid Society
   Consumer Protection Bureau
   local television studio

3. The low-income consumer might take his complaint directly to the owner of the store to seek satisfaction. The difficulty with this is that many EDA residents have had repeated experiences with being intimidated or pacified, which may result in a feeling of powerlessness or apathy. Thus this mode of consumer redress might not be realistic for them.

4. Misleading advertising is advertising which tends to deceive, mislead, or delude the consumer through the creation of false illusions. (or equivalent answer)

   The low-income consumer is especially susceptible to this type of advertising because his resources are extremely limited, and he must constantly seek ways by which to get the most out of those resources in an attempt to create a desirable life style.

UNIT 2

PSYCHOLOGY OF IN-HOUSE SALES

Objective

The MATCHE student will be able to design and develop a program to assist low-income consumers in obtaining the skills to effectively deal with the techniques used by salespersons to make in-the-home sales, based on personal observation and analysis of the techniques used by door-to-door salespersons, phone solicitations, and mail-order companies.

Overview

Salespersons who use consumers' homes as their marketplaces are the primary subject of this unit. As you will see, such in-house sales will be divided into three basic categories. The three categories include door-to-door sales, phone solicitations, and mail-order sales. Such sales are usually conducted by persons who have undergone extensive training in how to get the buyer to say, "Yes." The result is that the consumer is often left, to his bewilderment, owning something he does not need and cannot afford. Or worse yet, he may end up paying for something which he may never receive.

This type of selling is especially prevalent in the EDA. If in-house sales are conducted by honest, reputable firms in a fair and ethical manner, they can be a great service to the EDA resident who finds transportation to shopping areas hard to come by. Unfortunately, however, the consumer will in many cases pay much more for the product if it is obtained through in-house sales.

While it may be said that many companies that market their wares by door-to-door sales, phone solicitations, or mail order are honest, the wide use of this type of selling technique has given rise to a flood of "professionals" who make their livings through the dishonest representation of themselves and their products. The physical and psychological isolation which so often exists in the EDA makes the residents easy prey for these unscrupulous salespersons.

While some of these "high pressure" salespersons operate within the law, there may only be a very fine line which enables their tactics to be considered legal. This unit will enable you to investigate some of these tactics and give you an opportunity to help EDA individuals and families to avoid being pressured into buying merchandise they might be dissatisfied with, do not really want, and cannot afford.

Suggested Activities

1. The cliché "It takes one to know one" is particularly appropriate for the "science" of door-to-door salesmanship. The opportunity to experience the indoctrination and training which prospective door-to-door salespersons undergo can prove most helpful in knowing how to resist those techniques. Should the opportunity present itself, it would be to your advantage to have such an experience.

2. Interview EDA families who have had experiences with door-to-door salesmen. Find out the answers to some of the following questions:

   a. How did the salesman persuade them to let him in the house?
   b. To their knowledge, did he misrepresent himself or the product?
   c. Did the EDA family buy the product? If so, are they satisfied with it and generally feel that it is worth what they paid (are paying) for it?

3. Write a skit dealing with the problems of door-to-door salespersons in EDA and present the script to an elementary school or junior high school teacher in that area to see if he or she will allow the children in the class to stage the skit for their parents. Plan to be present at the time the skit is done to answer any additional questions the parents may have about dealing with door-to-door salespersons.

4. Contact governmental consumer protection agencies to obtain information about dealing with door-to-door salespersons. Analyze this information on the basis of applicability to EDA residents. Discuss your analysis with your instructor.

5. Prepare a detailed outline on dealing with door-to-door salespersons which would be suitable for presentation to a group of residents in a specific EDA.

6. Make yourself available for a door-to-door sales pitch, and notice the technique the salesperson uses to persuade you. Is he honest in the way he answers your questions? Suggest that you must wait a day to decide and observe his response.

7. Analyze case studies of low-income families who developed serious financial problems as a result of door-to-door sales. What was the basis for their decisions to purchase the product? Such case studies may be found in the book <u>The Spender Syndrome</u>, cited in the resource section.

8. Make a list of specific slogans and gimmicks often used by door-to-door salespersons. Write a paragraph about each slogan describing why it may or may not be particularly captivating in a specifically defined EDA. Do the same thing for types of products which are commonly sold door-to-door.

Due to the interrelatedness of the lessons in this unit, they will be uninterrupted by written progress checks. Proceed to Lesson 2 when you and your instructor feel you are ready. Suggested resources for this unit have been combined and placed directly following Lesson 3.

Lesson 2: Phone Solicitation

Suggested Activites

1. Contact a local consumer protection agency to obtain information on common telephone sales schemes which are prevalent in the EDA. Find out what efforts have been made to alert area residents to these schemes.

2. By using the phone, survey an EDA to find out how the residents feel about telephone solicitors and how they usually handle such a situation. Begin each call by explaining that you are"taking a survey." As you might easily be mistaken for a salesperson in this situation, be alert to the residents' reactions to you. How much information will the person give you and what would be the implications if you had been a phone solicitor?

3. Contact the phone company which serves an EDA and see if they have information on how to handle phone solicitors. Is the information suitable for use in the EDA?

4. Analyze telephone selling gimmicks which you have discovered to exist in an EDA. How do they appeal to the psychology and emotions of the EDA resident? Using the technique of role playing, prepare a lesson on how to handle phone solicitors and present it to a group of EDA residents. Give them a chance to exercise the "art" of saying, "No!"

Continue to Lesson 3 when you and your instructor feel you are ready.

Lesson 3: Mail-Order Sales

Suggested Activities

1. Discuss with several EDA residents the magazines or newspapers they enjoy reading. Get a copy of some of the publications which are mentioned and look through them to see the amount and type of mail-order advertisements which are included. Pick out three such advertisements and check with the Better Business Bureau regarding the reputability of the companies. Are there advertisements which ask the consumer only to mail for information and do not give the company's name? If so, send for the information to see what gimmicks, if any, may follow. Be alert for combinations of door-to-door or phone sales with mail-order promotions.

2. Try to find an "exciting" mail-order contest to enter. What are the enticements to enter? Do these enticements have any special appeal for the low-income consumer? Does the contest cost money to enter? If not, enter it. Is there a cost involved later?

3. Visit local consumer protection agencies to find out what educational services or pamphlets are available through the agency for the EDA residents. Are these resources widely used? If not, why not?

4. Contact the post office for information regarding postal regulations relating to mail-order sales.

5. Watch television and listen to the radio specifically to note the types of mail-order sales offered via these media.

6. On the basis of the things you have learned in the preceding activities, write a letter to your local newspaper on the subject of the pressures from all types of media which attempt to get the consumer dollar through the mail. Include the special implications such pressures have for the low-income consumer.

7. Develop a lesson on mail-order sales, based on your discoveries from the activities you have done, and present it to a group of EDA residents.

8. Visit the local office of the American Medical Association to obtain information on health quackery gimmicks promoted through mail-order sales.

Suggested Resources

California Department of Education. Instructional Patterns for Consumer and Homemaking Education. Sacramento: Office of State Printing, 1976.

Consumer Education Film Series. Bureau of Homemaking Education, California State Department of Education. County Superintendent of Schools film library. The Busy Line; Buyer Beware; Foot in the Door; Free to Choose; There is a Law Against It; This is Fraud; Your Right to a Hearing.

Caplovitz, David. Consumers in Trouble: A Study of Debtors in Default. New York: Macmillan, 1974.

Dervin, Brenda (ed.). The Spender Syndrome. Milwaukee: University of Wisconsin Extension Service, Center for Consumer Affairs, 1965.

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Spellman, Nancy. Consumers: A Personal Planning Reader. New York: West Publishing Company, 1976, Chapter 4.

Texas Tech University. Consumer Education for Families with Limited Incomes. Lubbock: Home Economics Instructional Materials Center, 1971.

When you feel you are ready, proceed to the Progress Test.

UNIT 2 PROGRESS TEST

Student_____

Marketing Practices in Relation to Low-Income Clientele

Instructor_____

Date_____

1. Identify the "selling traps" or lead-ins used by door-to-door salespersons that should alert consumers to be wary of the sales pitch to come.

   a. _____ claiming to be conducting a survey

   b. _____ offering to take only a few minutes of your time

   c. _____ claiming that you've been "specially selected"

   d. _____ offering something for only "a few pennies a day"

   e. _____ making a gift

   f. _____ encouraging questions "at any time" during the demonstration

   g. _____ getting you to leave the room

2. List five types of merchandise or services most frequently sold by high pressure door-to-door salespersons.

   a.

   b.

   c.

   d.

   e.

3. To determine whether a door-to-door salesperson is legitimate and honest, you should:

   a. _____ ask for the address and phone number of the company's office to verify

   b. _____ check his or her local address

   c. _____ check with the sheriff immediately

   d. _____ contact the local Better Business Bureau or Chamber of Commerce

   e. _____ ask to see a permit or license to sell goods door-to-door

4. The simplest way to avoid being pressured by telephone solicitors is to politely _____.

5. List three of the most common mail fraud schemes.

   a.

   b.

   c.

6. List and explain three major reasons why the EDA resident might be especially tempted to take advantage of in-house sales.

   a.

   b.

   c.

7. Select the steps that consumers should take to avoid being taken by deceptive advertising and sales techniques.

   a. _____ Report them to the authorities.

   b. _____ Compare the merchandise offered with that available in stores.

   c. _____ Do not hesitate to say "No" to something you do not want, do not need, or cannot afford.

   d. _____ Take time to carefully study any contract or document you are given to sign, even if it means asking the salesperson to come back another day.

   e. _____ Make sure the salesperson is honest.

ANSWER KEY
UNIT 2 PROGRESS TEST

Marketing Practices in Relation
to Low-Income Clientele

Instructor: In booklets reproduced for students, you may wish to omit this page.

1. a, c, d, e, g

2. (any five of the following)

   encyclopedias, dishes, magazines, charities, home improvement services, vacuum cleaner, portrait photographs, insurance, television sets, shoes, hearing aids, pots and pans

3. a, b, d, e

4. say "no thank you" and hang up (or equivalent)

5. (any three of the following)

   charities, insurance, unordered merchandise, record clubs, subscriptions, contests

6. Shopping in one's own home is extremely convenient. It completely eliminates having to worry about how to get to and from the shopping area.
   Salespersons who come to the home or call the prospective customer are extremely friendly and complimentary to the customer. While this undoubtedly is a necessity in order for them to make a sale, it cannot be denied that this approach creates a much more comfortable and personal atmosphere for buying than does the busy department store or shopping center. EDA residents are likely to find this personal touch very pleasant.
   The manner in which the product is presented and described to the EDA resident by clever salespersons often creates the illusion that "with this product in your possession the future is bound to be brighter."

7. b, c, d, e

UNIT 3

CONSUMER-CLERK RELATIONS

Objective

Based on actual or contrived experiences and/or observations of low-income consumer-clerk relations in specified stores, the MATCHE student will be able to describe and analyze the expressed and real attitudes and feelings of both the clerk and the low-income consumer and will summarize his or her findings in a report that describes the effects these attitudes and feelings might have on the purchasing practices and self-concept of the low-income consumer.

Overview

For many persons who reside in EDAs, poverty is not just a lack of income. It is a way of life characterized by alienation and isolation and an accompanying lack of self-confidence and self-respect. Everyone has a basic need for attention, recognition, and to feel accepted, wanted, and worthwhile.

The attitudes and feelings expressed by one person to another can have a distinct effect on the relationship of the two. The purpose of this unit is to give you an opportunity to determine through experience exactly what effects the attitudes and feelings of one group of people, store clerks, might have on the consumer practices and self-concept of low-income consumers.

The nature of the objective for this unit is such that specific resources and structured content will not provide the information to be learned--there are too many variables. Instead, it is up to you and your instructor to set the conditions under which you will meet the objective. The low-income consumer whom you choose to observe might be elderly persons, persons of different ethnic or cultural minorities, single parents (male or female), or combinations of these. The clerks whom you choose to observe might be located in suburban shopping centers, EDA neighborhood stores, downtown department stores, or other business establishments.

MODULE POSTTEST

When you and your instructor agree that the objective has been successfully achieved, you may proceed to the module posttest.

MODULE PRE/POSTTEST

Student_____

Marketing Practices in Relation to Low-Income Clientele

Instructor_____

Date_____

Student:	This pre/posttest will assess your knowledge of the information presented in this module. You need study only those units that are prescribed on the basis of pretest results.

1. List and explain two major reasons why EDA families may find it difficult to take advantage of legitimate bargains.

   a.

   b.

2. List four specific ways in which merchants could design and manage advertising which would have an especially alluring effect on EDA customers.

   a.

   b.

   c.

   d.

3. List five factors which might account for the fact that EDA residents often do not take action to stop unfair marketing practices in their areas.

   a.

   b.

   c.

   d.

   e.

4. List four agencies which might be available to help EDA residents obtain redress for consumer complaints.

   a.

   b.

   c.

   d.

5. Identify the "selling traps" of lead-ins used by door-to-door salespeople that should alert consumers to be wary of the sales pitch to come.

   a. _____ claiming to be conducting a survey

   b. _____ offering to take only a few minutes of your time

   c. _____ claiming that you've been "specially selected"

   d. _____ offering something for only a "few pennies a day"

   e. _____ offering a gift

   f. _____ encouraging questions "at any time" during the demonstration

   g. _____ getting you to leave the room

6. List five types of merchandise or services most frequently sold by high pressure door-to-door salespeople.

   a.

   b.

   c.

   d.

   e.

7. List three common mail fraud schemes.

   a.

   b.

   c.

8. List and explain three major reasons why the EDA resident might be especially tempted to take advantage of in-house sales.

   a.

   b.

   c.

9. Write a concise paragraph stating the effect which consumer-clerk relations have on the spending practices of the poor.

Return this test to your instructor for evaluation.

ANSWER KEY
MODULE PRE/POSTTEST

Marketing Practices in Relation
to Low-Income Clientele

Instructor:	Do not reproduce this page in students' booklets. You must retain it for grading and prescriptive purposes. Answers will vary with individuals. A preferred response might be similar to the answer presented.

1. The EDA family may find it impossible to get to the area in which a sale is being held, due to lack of transportation.
   The EDA family may be unable to take advantage of a legitimate sale because it has no excess money with which to buy anything other than immediate necessities.

2. If the merchants knew that a large number of their patrons received welfare and/or social security payments, they could time the advertisement so that it would be released at the time of the month when checks are usually received by the EDA families.
   If a large number of the EDA residents spoke a language other than English, the merchant could see to it that advertisements were made available in that language as well.
   The merchant could entice the EDA resident to come in for something "free."
   The merchant could make it known that "easy credit terms" are available "regardless of income."

3. lack of knowledge of what their rights really are as consumers
   lack of group organization for collective bargaining among EDA residents
   a general feeling of powerlessness coupled with an attitude which reflects, "That's the way things are here"
   lack of energy to devote to a cause which may seem somewhat unrelated to the day-to-day challenges of life
   desire to remain friendly with neighborhood merchants due to the dependency on the goods and services which they provide regardless of unfair marketing practices about which the EDA resident may be informed

4. Better Business Bureau
   Legal Aid Society
   Consumer Protection Bureau
   local television studio

5. a, c, d, e, g

6. (any five of the following)

   encyclopedias, dishes, magazines, charities, home improvement services, vacuum cleaners, portrait photographs, insurance, television sets, shoes, hearing aids, pots and pans

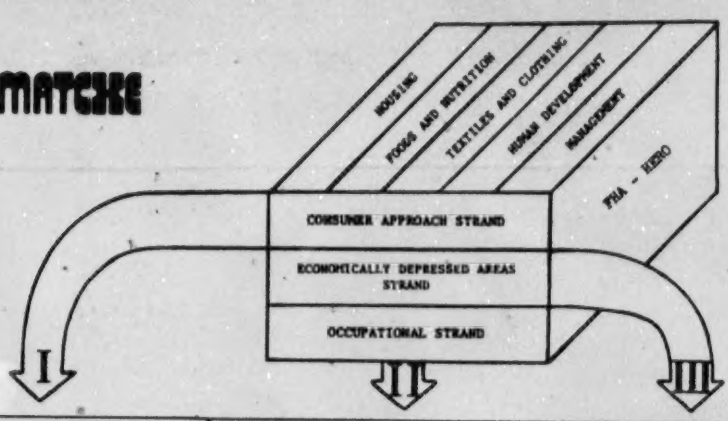
7. (any three of the following)

   charities, insurance, unordered merchandise, record clubs, subscriptions, contests

8. Shopping in one's own home is extremely convenient. It completely eliminates having to worry about how to get to and from the shopping area.
   Salespersons who come to the home or call the prospective customer are extremely friendly and complimentary to the customer. While this undoubtedly is a necessity in order for them to make a sale, it cannot be denied that this approach creates a much more comfortable and personal atmosphere for buying than does the busy department store or shopping center. EDA residents are likely to find this personal touch very pleasant.
   The manner in which the product is presented and described to the EDA resident by clever salespersons often creates the illusion that "with this product in your possession the future is bound to be brighter."

9. any answer acceptable to the instructor

MATCHE



A.	CORE: CONSUMER APPROACH TO HOMEMAKING EDUCATION 1 Life Styles and the Consumer 2 Community Consumer Resources 3 Consumer Rights and Responsibilities 4 Incorporating the Consumer Approach in Homemaking Classes	CORE: ESTABLISHING OCCUPATIONAL PROGRAMS 1 Analyzing Job Market Opportunities 2 Developing Occupational Programs 3 Implementing Occupational Programs 4 Evaluating Occupational Programs	CORE: TEACHING HOME ECONOMICS IN ECONOMICALLY DEPRESSED AREAS 1 Characteristics of Economically Depressed Areas 2 Life Style Characteristics of Economically Depressed Areas 3 Community Resources for Economically Depressed Areas 4 Developing and Implementing Programs for Economically Depressed Areas
	AREA (Module) PACKAGES	AREA (Module) PACKAGES	AREA (Module) PACKAGES
B.	HOUSING 1 Consumer Use of the Community 2 Procedures for Selecting a Community 3 Procedures for Selecting Housing 4 Shopping for a Home Loan 5 Procedures for Selecting Furnishings 6 Maintenance Procedures for Surfaces, Furniture, and Appliances	HOUSING 1 Occupational Opportunities Related to Housing and Interiors 2 Required Skills for Retail Sales of Furnishings and Related Household Items	HOUSING 1 Lov Income Housing 2 Government Housing Programs 3 Lov Income Furnishings
C.	FOODS AND NUTRITION 1 Technological, Sociological, Ecological, and Environmental Factors Related to Food 2 Regulatory Agencies Responsible for Wholesomeness and Quality of Foods 3 Consumer Aspects in Planning Meals 4 Cultural Food Patterns 5 Influences on Food Prices	FOODS AND NUTRITION 1 Occupational Opportunities Related Foods and Nutrition 2 Operations and Activities of a Food Service Operation 3 Managing a Food Service Operation	FOODS AND NUTRITION 1 Food Availability in Economically Depressed Areas 2 Low Income Food Patterns 3 Meal Management on a Low Income
D.	TEXTILES AND CLOTHING 1 Consumer Approach to Textiles and Clothing 2 Sociological, Psychological, and Economic Factors Affecting Clothing Selection 3 Clothing Needs of Individuals 4 Applications and Implications of New Technology in Textiles and Clothing	TEXTILES AND CLOTHING 1 Occupational Opportunities Related Textiles and Clothing 2 Assembly Line Garment Construction 3 Merchandising Textiles and Ready-To-Wear	TEXTILES AND CLOTHING 1 Clothing the Individual and Family 2 Utilizing Resources for Clothing and Textiles
E.	HUMAN DEVELOPMENT 1 Societal Changes Affecting the Family 2 The Relationship Between Spending Patterns and Interpersonal Relationships 3 Financial Pressures in Various Life Styles and Cycles 4 Individuals and Families in Crisis 5 Consumper Aspects of Parenthood	HUMAN DEVELOPMENT 1 Occupational Opportunities Related to Human Development 2 Children's Center Aide 3 Developing Programs for Preschool Children 4 Convalescent Home Aide	HUMAN DEVELOPMENT 1 Characteristics of Economically Depressed Area Families 2 The Child and the Economically Depressed Area Family 3 Resources for the Economically Depressed Area Family
F.	MANAGEMENT 1 Relationship Between National and Consumer Economics 2 Consumer Legislative Issues 3 Environmental Issues and the Consumer 4 Financial Management 5 Family and Individual Credit Management 6 Management View of the Multiple Role 7 The Metric System	MANAGEMENT 1 Occupational Opportunities Related to Home Management and Supporting Services 2 Occupational Preparation for Jobs Utilizing Housekeeping Skills	MANAGEMENT 1 Management Skills 2 Money Management 3 Marketing Practices in Relation to Low Income Clientele